

## Message Text

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FM AMEMBASSY JAKARTA  
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UNCLAS JAKARTA 10444

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SUBJ: ASIA FOUNDATION ACTIVITIES IN INDONESIA

1. I RECENTLY LEARNED THAT THE SENATE APPROPRIATIONS COMMITTEE ELIMINATED SUPPORT FOR THE ASIA FOUNDATION FROM THE FY 1977 FOREIGN ASSISTANCE APPROPRIATIONS BILL WHICH IS SCHEDULED TO BE PRESENTED TO SENATE ON AUGUST 23. WHILE I AM UNCLEAR AS TO SPECIFIC CONCERNS EXPRESSED DURING COMMITTEE HEARINGS REGARDING AID FUNDING FOR ASIA FOUNDATION, I WISH TO PROVIDE UNSOLICITED SUPPORT FOR CONTINUATION OF ASIA FOUNDATION ACTIVITIES IN INDONESIA WHICH COMPLEMENT AND SUPPORT ASSISTANCE PROGRAMS BEING CARRIED OUT BY USAID.

2. MAIN EMPHASIS OF ASIA FOUNDATION PROGRAM IN INDONESIA IS SMALL BUT TIMELY GRANTS TO ASSIST IN DEVELOPING TOP LEVEL PROVINCIAL UNIVERSITY ADMINISTRATION, ENCOURAGING INSTITUTIONAL PLANNING, AND FACILITATING THE DEVELOPMENT OF COMMUNITY SERVICES AT PROVINCIAL PUBLIC UNIVERSITIES OFF JAVA. THESE UNIVERSITIES ARE MAJOR FACTORS IN PLANNING RURAL DEVELOPMENT IN LEAST DEVELOPED PROJECTS OFF JAVA. ONE PROGRAM OF NOTABLE SUCCESS WAS THE ESTABLISHMENT OF BUSINESS MANAGEMENT INSTITUTES IN WEST SUMATRA AND EAST KALIMANTAN FOR THE DEVELOPMENT OF SMALL-SCALE ENTREPRENEURS IN THE PRIVATE SECTOR.

3. THE FOUNDATION ALSO CONTINUES TO BE THE MAJOR SOURCE OF AMERICAN BOOKS FOR INDONESIAN LIBRARIES. SINCE 1969, UNCLASSIFIED

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APPROXIMATELY 360,000 VOLUMES OF BOOKS HAVE BEEN DONATED

BY AMERICAN ORGANIZATIONS TO THE ASIA FOUNDATION FOR DISTRIBUTION IN INDONESIA. THE IMPUTED VALUE OF THESE BOOK DONATIONS IS BETWEEN \$500 THOUSANDS AND \$1 MILLION. THE FOUNDATION HAS ALSO BEEN A MAJOR SOURCE OF LIBRARY TRAINING OVER THE PAST THREE YEARS AND IN THE ESTABLISHMENT OF THE NATIONAL DOCUMENTATION CENTERS ON ECONOMIC DEVELOPMENT.

4. WITH THE SUPPORT OF CONTRIBUTIONS FROM AID AND PRIVATE U.S. CORPORATIONS OPERATING IN INDONESIA, THE ASIA FOUNDATION ALSO CARRIES OUT PROGRAMS IN POPULATION CONTROL, NUTRITION, AND RURAL DEVELOPMENT WHICH ARE SMALL IN SCALE BUT WHICH OFFER PROMISE IMPROVING WELL BEING IMPRESSIVE NUMBERS OF POOR PEOPLE. FOR EXAMPLE, THE FOUNDATION IS PROVIDING A SPECIALIST TO HELP DEVELOP ENTREPRENEURSHIP AND PILOT AGROBUSINESS ENTERPRISES AMONG THE INDIGENOUS POPULATION OF IRIAN JAYA, IN COOPERATION WITH THE JOINT DEVELOPMENT FOUNDATION AND THE UNDP. OF SPECIAL INTEREST TO THE UNITED STATES GOVERNMENT IS THE FOUNDATION'S WORK IN THE DEVELOPMENT OF LEGAL INSTITUTIONS IN INDONESIA. ASIA FOUNDATION CONTINUES TO BE THE MAJOR SOURCE OF FOREIGN ASSISTANCE FOR DEVELOPMENT IN THE FIELD OF LAW AND IS PROVIDING ONGOING SUPPORT TO THE CENTER FOR LAW AND DEVELOPMENT IN EAST JAVA. THIS ASSISTANCE IS PARTICULARLY RELEVANT TO INDONESIAN EFFORTS TO IMPROVE LEGAL INFRASTRUCTURE AND THE RESPONSIVE TO INTERNATIONAL CONCERN OVER HUMAN RIGHTS.

5. PRESTIGE OF ASIA FOUNDATION WITHIN INDONESIA, ITS ABILITY TO WORK DIRECTLY WITH UNIVERSITIES AND OTHER EDUCATIONAL INSTITUTIONS, AND SPECIAL KINDS OF PROGRAMS SUCH AS BOOK PROGRAM JUSTIFY, IN MY VIEW, CONTINUED U.S. FUNDING FOR SEPARATE ORGANIZATION. ASIA FOUNDATION, FURTHER, IS TARGETTED DIRECTLY TO UNIVERSITIES AND INSTITUTIONS IN OUTLYING AREAS WHERE UNIVERSITY STAFFS ARE DIRECTLY INVOLVED IN PROVINCIAL AND COMMUNITY PLANNING DIRECTED TO RURAL POOR. AS I HAVE SAID IN OTHER MESSAGES, I CONTINUE FEEL THAT ONE OF OUR MOST EFFECTIVE WAYS OF INFLUENCING IMPROVEMENT UNCLASSIFIED

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RURAL POOR IS THROUGH HELPING WITH TRAINING OF THOSE INVOLVED IN PLANNING AND IMPLEMENTATION THESE PROJECTS. IN THIS CONNECTION, I MIGHT REFER TO RECENT PUBLIC STATEMENT OF INDONESIA'S MINISTER OF RESEARCH SUMITRO WHO SAID HE COULD NOT UNDERSTAND PHILOSOPHY OF SOME AID PROGRAMS WHICH DID NOT RECOGNIZE SUPREME IMPORTANCE OF CONTRIBUTIONS TO INSTITUTIONS WHICH WERE TRAINING TECHNICAL AND SCIENTIFIC MANPOWER NECESSARY FOR

SIGNIFICANT BREAKTHROUGHS IN PROBLEMS OF POVERTY.

6. IN MY VIEW WE WOULD BE DOING INDONESIANS AND  
OURSELVES A DISERVICE IF ASIA FOUNDATION PROGRAMS  
WERE REDUCED SUBSTANTIALLY. BY SUSTAINING OUR SUPPORT  
FOR ASIA FOUNDATION WE WILL BE SUPPORTING AN  
ORGANIZATION WITH AN ESTABLISHED RECORD OF EXCELLENCE  
IN IDENTIFYING AND CARRYING OUT PROGRAMS WHICH ARE  
RESPONSIVE TO SOME OF INDONESIA'S CRITICAL DEVELOPMENT  
NEEDS.

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